

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 5, 1996

SUBJECT: **SB 2459 - HB 2812**

This bill, if enacted, will increase from 25 to 100 the number of eligible employees which constitute a group subject to the Small Employer Group Health Law. Currently, no group over 25 eligible employees is subject to the law.

Further, the bill changes the makeup of the Small Employer Carrier Committee to be as follows:

1. one-fourth of the committee shall be risk-assuming carriers and reinsuring carriers;
2. one-eighth of the committee shall be insurance agents;
3. one-fourth of the committee shall be from among representatives of the small employer community;
4. one-fourth of the committee shall be consumers served by plans covered by this part; and
5. one-eighth of the committee shall be health care providers.

The bill requires the committee to study the effectiveness of the law based on policy writings during the first two years and every two years thereafter for 10 years and from time to time after the 10 year period. The committee shall submit the study to the Commissioner of Commerce and Insurance, the Speakers of the House and Senate and the Senate

Commerce, Labor and Agriculture Committee and the House Commerce Committee.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures for expenses associated with this committee. However, such increase is estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director